



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 8

999 18TH STREET - SUITE 500
DENVER, CO 80202-2466

NOV 10 1998

EC-2

9802955

Ref: 8EPR-EP

Kurt Kotter
Area Manager
Bureau of Land Management
Rawlins District, Great Divide Resource Area
1300 N. 3rd
Rawlins, Wyoming 82301

Re: Carbon Basin Coal Project
Draft Environmental
Impact Statement

Dear Mr. Kotter:

In accordance with our responsibilities under the National Environmental Policy Act (NEPA) and Section 309 of the Clean Air Act, the Region VIII office of the Environmental Protection Agency (EPA) has reviewed the referenced project Draft Environmental Impact Statement (DEIS). We offer the following comments and concerns for your consideration in preparation of the Final Environmental Impact Statement (FEIS).

The EPA understands the proposed action would offer, for lease-by-application (LBA), 5,235.15 acres of federal mineral estate containing approximately 147.9 million tons of federal coal located in 11 discontinuous parcels interspersed through private and state lands. This coal would be mined in conjunction with other minable coal, under state and private mixed ownership, located in the 18,360 acre Carbon Basin Coal Project Area (CBCPA) to develop a feasible mining unit.

The EPA has significant concerns regarding the No Action Alternative as presented and the use of this alternative as a baseline for impact analysis. The alternatives analysis should be revised to include a true No Action or No Mine Alternative. Information on this alternative can be brought forward from the Affected Environment disclosure. Without this alternative, the DEIS does not fully analyze or disclose the full impacts, direct and indirect, of proposed mining.

Once a successful lease and the appropriate federal, state and local permits are obtained, the Generalized Mining Plan calls for two mines to recover the coal. The Elk Mountain Mine would be a conventional surface mine. The Saddleback Hills Mine would be an underground mine using a standard longwall mining system. Total surface disturbance related to life of the mine (LOM) operations for both mines is approximately 4,900 acres. Please verify the statement at the end of the first paragraph under 2.2.1, on pg. 2-27, that 397 surface acres of BLM-administered public would be disturbed.



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It would have been most helpful to reviewers if a topographic map of sufficient scale had accompanied the DEIS.

The BLM extended an invitation to the EPA for a field visit which was accomplished on Oct. 14, 1998. We would like to express our appreciation to Brenda Vosika-Neuman and John Spehar, from the Rawlins District, for their knowledgeable and professional conduct of the field visit. Terrain and geography in the CBCPA are unique, and it was most helpful to have the project put into perspective.

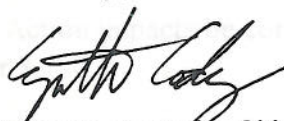
In particular, after viewing the area to be impacted and having questions answered, we gained a more complete understanding of surface water dynamics and stockpond locations in the Sevenmile Lake area. Additionally, reclamation activities of historic, abandoned surface mining in this area, as required by the BLM and WDEQ regulations, revealed that recontouring, revegetation and pond reconstruction should be successful in the remainder of the project area. The minimum one-hundred foot buffer of unmined land around Second and Third Sand Creeks should be sufficient to protect stream channel integrity and avoid impacts to riparian wetlands of these ephemeral water courses.

We have additional concerns with the air quality and transportation analysis related to the DEIS. Please see our specific comments. It is recommended that all significant impacts, including air quality impacts to the human environment, be listed in Table 2.1 for easy reference by the public, public officials and the Federal Land Manager.

Based on the procedures the EPA uses to evaluate the adequacy of the information and potential environmental impacts of the proposed action and alternatives in an EIS, the EPA Region VIII rates this DEIS as Category EC-2. This means that additional information as noted and, in particular information on a true No Action Alternative, would allow us to more fully assess the proposed action on environmental impacts. A copy of our rating criteria is attached.

The EPA appreciates the opportunity to review and comment on this DEIS. Should you have any questions regarding the general nature of this letter, please contact Mike Hammer of my staff at (303) 312-6563. Specific questions related to air quality comments and concerns should be referred to Robert Edgar at (303) 312-6669.

Sincerely,



Cynthia G. Cody, Chief
NEPA Unit
Ecosystem Protection Program

cc: Elaine Suriano, OFA EPA-HQ
Robert Edgar, 8EPR-EP
Dana Allen, 8EPR-EP

SUMMARY OF RATING DEFINITIONS AND FOLLOW-UP ACTION

Environmental Impact of the Action

LO-Lack of Objections

The EPA review has not identified any potential environmental impacts requiring substantive changes to the proposal. The review may have disclosed opportunities for application of mitigation measures that could be accomplished with no more than minor changes to the proposal.

EC-Environmental Concerns

The EPA review has identified environmental impacts that should be avoided in order to fully protect the environment. Corrective measures may require changes to the preferred alternative or application of mitigation measures that can reduce the environmental impact. EPA would like to work with the lead agency to reduce these impacts.

EO-Environmental Objections

The EPA review has identified significant environmental impacts that must be avoided in order to provide adequate protection for the environment. Corrective measures may require substantial changes to the preferred alternative or consideration of some other project alternative (including the no action alternative or a new alternative). EPA intends to work with the lead agency to reduce these impacts.

EU-Environmentally Unsatisfactory

The EPA review has identified adverse environmental impacts that are of sufficient magnitude that they are unsatisfactory from the standpoint of environmental quality, public health or welfare. EPA intends to work with the lead agency to reduce these impacts. If the potential unsatisfactory impacts are not corrected at the final EIS stage, this proposal will be recommended for referral to the Council on Environmental Quality (CEQ).

Adequacy of the Impact Statement

Category 1-Adequate

EPA believes the draft EIS adequately sets forth the environmental impact(s) of the preferred alternative and those of the alternatives reasonably available to the project or action. No further analysis or data collection is necessary, but the reviewer may suggest the addition of clarifying language or information.

Category 2-Insufficient Information

The draft EIS does not contain sufficient information for EPA to fully assess environmental impacts that should be avoided in order to fully protect the environment, or the EPA reviewer has identified new reasonably available alternatives that are within the spectrum of alternatives analyzed in the draft EIS, which could reduce the environmental impacts of the action. The identified additional information, data, analyses, or discussion should be included in the final EIS.

Category 3-Inadequate

EPA does not believe that the draft EIS adequately assesses potentially significant environmental impacts of the action, or the EPA reviewer has identified new, reasonably available alternatives that are outside of the spectrum of alternatives analyzed in the draft EIS, which should be analyzed in order to reduce the potentially significant environmental impacts. EPA believes that the identified additional information, data, analyses, or discussions are of such a magnitude that they should have full public review at a draft stage. EPA does not believe that the draft EIS is adequate for the purposes of the NEPA and/or Section 309 review, and thus should be formally revised and made available for public comment in a supplemental or revised draft EIS. On the basis of the potential significant impacts involved, this proposal could be a candidate for referral to the CEQ.

*From: EPA Manual 1640, "Policy and Procedures for the Review of Federal Actions Impacting the Environment."